

**STATEMENT OF THE HONORABLE SLOAN GIBSON
DEPUTY SECRETARY OF VETERANS AFFAIRS
BEFORE THE
HOUSE COMMITTEE ON VETERANS' AFFAIRS
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Chairman Miller, Ranking Member Michaud, and Distinguished Members of the House Committee on Veterans' Affairs, thank you for the opportunity to discuss with you the Department of Veterans Affairs' (VA) implementation of the Veterans Access, Choice, and Accountability Act of 2014 (Public Law 113-146), also known as "the Act." VA's goal has been, and always will be, to provide Veterans with timely and high-quality care with the utmost dignity, respect and excellence. However, we as a Department are aware of the challenges we face. We want to turn these challenges into opportunities to improve the care and services we provide to our Nation's Veterans. That is why our Veterans and VA employees nationwide understand the need for reform and are pleased Congress passed and President Obama signed into law the Veterans Access, Choice, and Accountability Act on August 7, 2014. We are committed to providing Veterans with the best possible care-experience, while also meeting our obligations to be good stewards of the Nation's tax dollars.

Prior to the law's enactment, VA was already making progress moving Veterans off of wait lists and into clinics. From May 15, 2014, through the end of fiscal year 2014, the Electronic Wait List went from over 57,000 appointments to under 24,000, nearly a 60-percent reduction. The New Enrollee Appointment Request list went from 64,000 to 2,000, which is nearly a 97-percent reduction. The Veterans Health Administration completed over 18 million appointments from May 15 through September 30, 2014, an increase of 1,200,000 over the same period in 2013, and made more than 1,089,202 total non-VA care authorizations from May 15 to September 30, 2014, a growth of 346,393 (47-percent) over the same period in 2013. On average, each authorization results in 7 appointments, thus these non-VA care authorizations have the potential to generate 10.8 million appointments. While this is encouraging progress, the

Department's goal is to provide all Veterans with timely, high-quality, clinically appropriate care. Veterans are our customers – we will use all authorities we have to continue get Veterans off wait lists and into clinics.

Overview of the Veterans Access, Choice, and Accountability Act

VA appreciates the enhanced authorities, funding, and programs now available under the Act to ensure Veterans have timely access to safe and high-quality health care. The Department has been working hard to implement this highly complex piece of legislation in a way that provides Veterans with the best possible care-experience. This legislation appropriated \$5 billion to hire physicians and other medical staff and improve VA's infrastructure to reduce the shortfall in our capacity to meet the health care needs of Veterans in a timely way. As we have shared with the Committee, the Department is finalizing the required plan for spending the \$5 billion, but we are also striving to ensure that we allocate these incremental resources as good stewards for our Nation. We have also come to realize that implementation of some of the legislation's requirements will require additional resources not covered by the \$5 billion. The 27 leases authorized in the Act begin the process of implementing our long-term space plan. The Act also provided \$10 billion to purchase needed care from the community while we build that internal capacity.

The legislation also provided us with great tools that we believe will improve our ability to recruit and retain high-quality clinical staff. At the same time, the Act also gave VA enhanced authority to propose the removal or demotion of senior executive employees based on poor performance or misconduct. We know that we cannot tackle our long-term issues without cultural change and accountability. While the new law shortens the time a senior executive, proposed for removal by VA, has to appeal VA's decision, it does not do away with the appeal process or guarantee VA's decisions will be upheld on appeal. Secretary McDonald and I have been clear that when evidence of wrongdoing is discovered, we are holding employees accountable and taking action as quickly as law and due process allows.

VA appreciates enactment of the Department of Veterans Affairs Expiring Authorities Act of 2014 (Public Law 113-175), which was signed into law on September 26, 2014, that amended and fine-tuned key provisions of the Act to improve our ability to deliver Veterans the best possible care-experience. VA believes, with the help of Congress, more work is necessary to further refine the Act and address remaining implementation challenges. As VA engages in the appropriate rulemaking and implementation processes required by the law, we will continue to communicate openly where such challenges exist. We will work to address sources of confusion and continue to solicit input from stakeholders. We are grateful for the ongoing engagement of members of Congress and their staff in the discussions we have held to date. VA will continue to work with other Departments, Congress, Veterans Service Organizations, and other stakeholders to ensure that our implementation of this legislation optimally benefits Veterans in a manner consistent with our obligation to be good stewards of taxpayer dollars.

Addressing Challenges within the Veterans Choice Program

One program required by the Act that is particularly critical to Veterans is the Veterans Choice Program authorized by section 101. As we have informed the Committee in over 10 telephonic and in-person meetings held between Committee staff and VA personnel regarding implementation of the Veterans Choice Program, VA has identified a number of areas within section 101 that could present implementation challenges or result in confusion for Veterans.

For example, as you are aware, the 90-day timeline to establish a new health plan capable of producing and distributing Veterans Choice Cards, determining patients' eligibility, authorizing care, coordinating care and managing utilization, establishing new provider agreements, processing complex claims, and standing up a call center has been particularly challenging. In fact, we received overwhelming feedback from the marketplace about the significant challenges of meeting the law's aggressive timeline.

Despite the timeline, VA launched the Choice Program on November 5 with a responsible, staged implementation focused on delivering the best Veteran experience.

We remain concerned, however, about the potential fragmentation of care and our ability to ensure Veterans receive appropriate preventive health and screening. As you are aware, the average enrolled Veteran is older, sicker, and poorer than the general population. We have made significant investments to ensure that our patients have access to mental health services in the Patient Aligned Care Team clinic. Community mental health resources are often not readily available, particularly in rural areas, and are rarely integrated into a private-sector primary care-experience. As one-third of Veterans receiving VA care have a mental health diagnosis, coordinating care and providing timely access to high-quality mental health care is of the highest importance to us.

Additionally, the success of interoperability depends on the integration of records from non-VA providers into the VA's electronic medical record and clinician's workflow at the point of care. The current state of national health information exchange continues to evolve in response to known challenges. In order to ensure sufficient continuity of care for Veterans who are treated in both VA and non-VA settings, we will continue to work at finding solutions to deliver the greatest health care outcomes for our Veterans.

Pursuant to the Act, we successfully re-defined and published a new wait-time standard for appointments. The new wait-time standard is 30-days from either the date that an appointment is deemed clinically appropriate by a VA health care provider, or if no such clinical determination has been made, the date the Veteran prefers to be seen. While this standard will help ensure that Veterans receive timely access to the benefits of the Choice Program, it is not a clinical standard for timely care. As we have long maintained, for the Veteran who needs care today, VA's goal will always be to provide timely, clinically appropriate access to care in every case possible.

Conclusion

VA is committed to providing Veterans with the best possible care-experience by implementing this legislation effectively to deliver timely access to high-quality care for Veterans. We are grateful for the close working relationship with Congress to ensure that we are making forward progress.” Congress can be assured VA's staged implementation of the Act will ensure the Veteran's best possible experience.

To the extent that there are significant challenges, we are working to overcome the challenges while meeting the intent and requirements set forth in the Act. We will continue to share with the Committee any issues to ensure we have a common understanding of the implications of the Act.

Lastly, I thank the Committee again for your support and assistance in fine-tuning the Act as we work to implement this vital legislation, and we look forward to working with you in making things better for all of America's Veterans.

This concludes my testimony. Dr. Tuchschtmidt, Mr. Giddens, and I are prepared to answer any questions you or the other Members of the Committee may have.